SECRET

THE AMBASSADOR VIA DCM 8/29/75

LEGAT ROBERT W. SCHERRER

FOREIGN POLITICAL MATTERS - ARGENTINA

During the evening of 8/28/75, I contacted Brigadier General ALBERTO S. CACERES, in order to pay my respects over his announced retirement from active service in the Argentine Army. (3)

General CACERES confirmed that he had personally submitted his retirement to the newly designated Army Commander in Chief, General JORGE R. VIDELA prior to the latter's swearing-in ceremony on 8/28/75.

General CACERES advised that General VIDELA accused him of attempting to build a political base outside the Argentine Army and specifically accused CACERES of courting LORENZO MIGUEL. General CACERES stated that General VIDELA indicated that in his opinion the entire affair over the retirement of Colonel DAMASCO from active Army service was prolonged and aggravated by General CACERES' refusal to General CACERES demand that DAMASCO retire immediately. stated that General VIDELA expressed his belief that President PERON attempted to capitalize on what appeared to have been General CACERES' intransigence in reaching a hard line position with regard to DAMASCO's retirement. General CACERES advised that General VIDELA stated that both President PERON and DAMASCO would have immediately capitulated in both the DAMASCO and LAPLANNE retirements if CACERES had taken a hard line and alined himself with the other Generals taking a similar position. According to General CACERES, General VIDELA stated that the only reason that the DAMASCO and President PERON procrastinated in this matter was their belief that General CACERES would not commit troops under his command in Buenos Aires to any show of force or mini-coup.

> CLASSIFIED BY 5931 EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF EXECUTIVE ORDER 11652 EXEMPTION/CATEGORY 5B(2-)

1 -- Addressee

1 - Buenos Aires (109-2) AUTOMATICALLY DECLASSIFIED ON IMDET

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FOREIGN POLITICAL MATTERS - ARGENTINA

General CACERES advised that he informed General VIDELA that President PERON had offered him the position of Argentine Army Commander in Chief but that he refused, stating that too many other senior Generals would be forced to retire, an event which would seriously disrupt the Argentine Army. General CACERES stated he told General VIDELA that he suggested the Commander in Chief position go to one of the two senior Generals, i.e. General DELIA or General VIDELA. General CACERES stated that General VIDELA immediately pointed out to him that this obviously was both DAMASCO's and President PERON's strategy in attempting to divide the Argentine Army by appointing General CACERES as the Commander in Chief. General CACERES advised that he told General VIDELA that he had never had any intention of attempting to maneuver into the Army Commander in Chief's position and his reason for not siding with those who desired DAMASCO's and subsequently LAPLANNE's immediate retirements, was that he thought a course of moderation and not confrontation would serve the Army's best interests. General CACERES stated that President PERON indicated that General DELIA was a "common horse thief" who had disgraced Argentina internationally and who was forbidden to take part in further international equestrian competition, and that President PERON would never appoint such a man as Army Commander in Chief.

General CACERES explained that President PERON's remarks concerning General DELIA apparently refer to some event, which took place many years ago concerning irregularities in the handling of horses utilized in international competition by the Argentine Army.

General CACERES noted that President PERON's position, in his opinion, was extremely petty, inasmuch as General DELIA had never been accused of any criminal act but had been sanctioned for an apparent violation of the many complex rules and regulations governing international equestrian competition.

General CACERES advised that the reason he submitted his retirement to General VIDELA was to avoid being railroaded into retirement by General VIDELA, inasmuch as the animosity Sylvanian control of the control of the





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built up over the past two weeks could not be overcome while he remained on active duty. General CACERES advised that he terminated his meeting with VIDELA in a relatively civil manner, it being agreed by both General CACERES and VIDELA that both of them had the best interests of Argentina at heart but their views concerning serving the Argentine Army's best interests differed.